



**FERTILIZER
AND
PESTICIDE
AUTHORITY**

2010

Annual Report

MESSAGE



The year 2010 is another year in the books of the Fertilizer and Pesticide Authority (FPA). The past two years have been challenging for the fertilizer and pesticide industries supporting agriculture. The sector has already recovered from the adversities particularly the high cost of agricultural inputs, high cost of fuel and series of typhoons in the past years. We weathered them towards the end of 2009 and has almost recovered in 2010 when El Niño phenomenon brought the negative effects in the agriculture sector.

As per FPA's mandate, we have to assure the agriculture sector of the availability of agriculture inputs. The FPA in cooperation with the fertilizer and pesticide industries have been responsive to the needs of the agriculture sector for inputs to cushion the adverse effects of El Niño. Such support has minimized the contraction of agriculture production since towards the last quarter, the sector has already recovered but not enough to negate the effects for nine months of the El Niño Phenomenon.

I am optimistic that the agriculture sector will steadfastly recover with all the support and cooperation of the Department of Agriculture, the private sector and our farmers though the road ahead maybe tough.

As a regulatory agency, the FPA has tried its best to address the factors that may have caused problems in the processing of regulatory documents. The establishment of the fertilizer analytical laboratory will facilitate fertilizer analysis for fertilizer registration and conformity to standards of products. Likewise, the pesticide laboratory which is for establishment in 2011 will also analyze pesticide products for registration, to ensure that the quality of fertilizer and pesticide products being sold conform with the standard set by the government.

The revitalization of the Fertilizer/Pesticide Policy Technical Action Committees will further strengthen the technical capability of the FPA.

This is to recognize also the vigilance of the FPA Field Officers in monitoring compliance at the field level. Despite the limited resources available for their mobility, they have been always on the guard. We are energized with these accomplishments and we would like to endeavor better service for our clients in the coming years.

On behalf of the FPA, allow me to express my sincerest gratitude to the Department of Agriculture particularly the officials led by the FPA Board Chairman, Secretary Proceso "Procy" Alcala, the FPA Board Members, our government partners, the fertilizer and pesticide industries for your support to the FPA to achieve our Mandate and Goals to attain food security.

Maraming Salamat!


NORLITO R. GICANA, CESO III
Executive Director

A **HIGHLIGHTS**

For the year 2010, FPA fully supports the new government's directives of transparency and conservative public expenditures on which available financial resources will be allocated for the core vital government services which had beneficial impact on poverty reduction and equitable growth. This includes agricultural development to achieve food security and to raise farmer's income and environmental development to establish an effective response to climate change.

FPA continues to uphold its mandate: assuring the agricultural sector of adequate supplies of fertilizer and pesticide products at reasonable prices, rationalizing the manufacture and marketing of fertilizer protecting the public from the inherent risk in the use of pesticide and educating the sector in the use of these inputs.

With the operationalization of FPA fertilizer laboratory for quality monitoring, FPA ensures that the farmers and the general public of fertilizer products in the market are of good quality and conformed with the guaranteed analysis registered by the manufacturers.



REGULATORY SERVICES

Product Registration

The fertilizer product registration posted 108% accomplishment, 457 approved applications over 422 targeted, with 245 new applications and 212 product registration renewals. For pesticide product registration posted 127% accomplishment or 1,057 approved registration over 835 applications targeted. There were 580 product/active ingredients applications approved over 595 targeted or 97% accomplished. As production of biotechnology, FPA has also registered 27 bio-fertilizers and 4 bio-pesticides.

	Target	Actual	Percentage Accomplished
Fertilizer			
- New	120	245	
- Renewal	302	212	
Total	422	457	108%
Pesticide			
- active ingredient	478	567	
- product	357	490	
Total	835	1,057	127%

Warehouse Registration and EUP's

There were 1,070 applications of fertilizer and pesticide warehouses registered which includes 390 applications that were processed and approved at the central office and 680 applications were renewed at the regional offices. Experimental Use Permits granted for the year totaled 892 permits, 263 approved EUP for fertilizer and 629 approved EUP for pesticide. The efficacy trials were conducted by FPA accredited fertilizer and pesticide researchers.

	Target	Actual	Percentage Accomplished
Warehouse			
- Central Office	445	390	
- Regional	861	680	
Total	1,306	1,070	82%
EUP's			
- Fertilizer	240	263	
- Pesticide	132	629	
Total	372	1,264*	Over 100%

*offshoot targets due analogs submitted by three pesticide companies

Fertilizer/Pesticide Licenses

For the year 2010, a total of 2,672 licenses were issued to fertilizer and pesticide handlers out of the projected 4,087 or 65% of its total target. These handlers included the following: exporters, importers, indentors, manufacturers, distributors, suppliers, wholesalers, dealers, fertilizer repackers, commercial applicators and dealer/retailers of fertilizer/pesticide.

As a prerequisite for a new applicant who wants to put up fertilizer and/or pesticide business, the person/entity must undergo the appropriate trainings. The FPA in collaboration with the different fertilizer / pesticide associations / companies conducted/coordinated the following trainings:

Type of Trainings	Number Conducted/ Coordinated	Number of Participants		
		Male	Female	Total
Accredited Safety Dispenser (ASD)	33	662	585	1,247
Accredited Responsible Care Officer (ARCO)	3	106	49	155
ARCO-Symposium	3	176	40	216
Certified Pesticide Applicator (CPA)				
Agricultural Exterminator	2	64	22	86
Fumigator	1	64	8	72
CPA - Symposium Exterminator (Agricultural)	2	540	68	608
Fumigator	2	250	70	320
Accredited Researcher	3	34	21	55
Symposium - Accredited Researcher	3	19	39	58
Mango Contractors	2	161	75	236
Safe & Judicious Use (GAP)	15	262	82	344
TOTAL	69	2,338	1,059	3,397

FIELD MONITORING



The enforcement of FPA regulatory functions pursuant to P.D. 1144 has been strictly implemented. The FPA field personnel undertook vigorous monitoring activities and exceeded targets for the year. A total of 18,670 frequency inspection visits to fertilizer and pesticide handlers over targeted 14,510 visits or

129% accomplished. There were 383 PCOs and 315 establishments who have used pesticide impregnated plastics were monitored and inspected during the year.



establishments rules and establishments of



In our effort to get rid the market of banned, fake, adulterated and unregistered pesticides and underweight fertilizers, a total of 222 clean-up drives were conducted in the regions and provinces. There were 84 found to have violated FPA regulations, seventeen (17) of whom were given the corresponding “Stop Sale, Stop Move, Stop Use Order (SUMs) and were imposed appropriation sanctions.

FIELD . . . (continuation)

In line with the occupational health and safety monitoring on fertilizer and pesticide production plants, there were sixteen (16) fertilizer and fifteen (15) pesticide plants visited for inspection both for post licensing/registration and post/registration licensing.



Fertilizer and pesticide retail prices were continuously monitored by the FPA regional and provincial officers, and were posted in the FPA website.



PLANS, POLICY, PROGRAM & PROJECT FORMULATION, COORDINATION, ADVOCACY, MONITORING AND EVALUATION

FPA has actively participated in various committees/sectors:



Briefing/orientation of JICA delegates on organizations and parties involved on the registration and post registration of fertilizer and pesticide.



Presidential Management Staff together with stakeholders from Davao regarding the proposed ban for aerial spraying in banana plantation.



Courtesy visit of Arnichem Co. from Australia and discussed the possibility of fertilizer importation.

Department of Trade and Industry and Iraq fertilizer producer delegation met on the possibility for importation of fertilizer. Similarly, Vietnam delegation also met with FPA to discuss business opportunities and setting up bilateral relationship with Philippine partners with regards to fertilizer.

FPA meetings on the storage and disposal of Endosulfan.

PLANS, POLICY, PROGRAM . . . (continued)



JICA Cambodia re: Technical Information Exchange Program on Capacity Building for the Quality Standard Control of Agricultural Materials for Fertilizer and Pesticide.



National Single Window Phase I Pilot Run Training for Users and Importers.



on
Methyl Bromide
pre-shipment
of Agriculture
Administrative
last 16 August
logbook system in
Methyl Bromide. The AO has been published in Philippine
Gazette and Philippine Star.

The FPA Project Management Unit of the National Methyl Bromide Phase-out Project has been extended until June 2010. The FPA and World Bank have commissioned the Center for Environment Studies and Management to conduct 2008-2009 verification audit on the compliance of the Philippine Government the phase out of for non-quarantine use. The Department has issued Order No. 17 signed 2010 adapting the monitoring the usage of



PLANS, POLICY, PROGRAM . . . (continued)



Round Table discussion on the Risk Assessment and Risk Management under Articles 15 & 16 of the Cartegeena Protocol on Biosafety.



FPA meeting with the Ministry of Agriculture of Afghanistan to familiarize on IPM Farmer's Field School extension process, crop protection R & D pesticide and quarantine policies and regulations.



UNIDO/International Workshop on Regional Network on Pesticide for Asia and the Pacific (RENPAP) on Occupational Health and Safety in Pesticide Production Plants, November 22-25 at the Sulo Riviera Hotel, Quezon City.

Reactivation of Pesticide Policy & Technical Committee (PPTAC) and Fertilizer Policy & Technical Committee (FPTAC).

Attended the World Bank Montreal Protocol Operation Team regarding the Ozone Depletion Substances (ODS), 14th Annual Workshop, Washington, D.C.

PLANS, POLICY, PROGRAM . . . (continued)

United States Department of Agriculture Pesticide Residue Meeting, Jakarta, Indonesia



Tripartite Review Meeting and Project Management Committee meeting on Regional Network on Pesticides for Asia and the Pacific (RENPAP), Lao PDR.

The FPA has also collaborated with various government agencies on various concerns, namely: Biotech, DA-National Mango Action Team (NMAT), GMA Rice, Corn and HVCC, ATI-Agriculture and Fisheries Extension Network (AFEN), NAFC, Sub-committee on Crops, Rice, Corn, Philippine Ozone Desk of Environmental Management Bureau (EMB), GHS-UNITAR, CROPLIFE, NALECC, etc.



FINANCIAL ADMINISTRATION

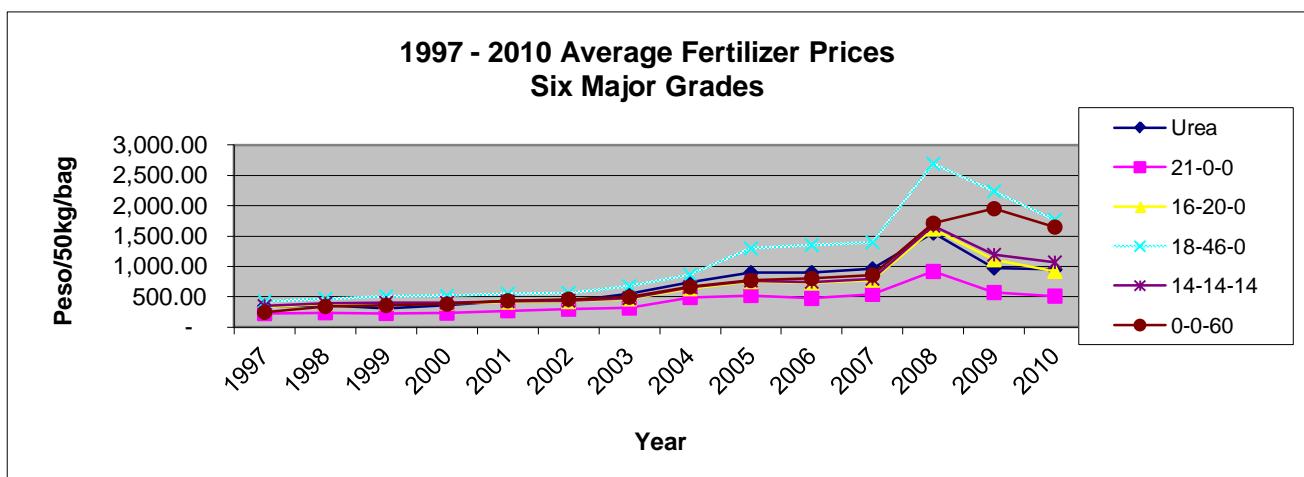
For the year 2010, a total of P110,121,810 was allotted for FPA's operations and activities. Total obligations incurred for the year totaled P53,981,156 or 49% of the year's allotment. It comprised of current operating expenditures, miscellaneous personnel benefits fund releases and continuing appropriations.

Operations consisting of industry control and evaluation and enforcement of rules and regulations composed of 65% of the total obligations. Expenses related to the FPA's general administration and support to operations covered 28% and 7% respectively.

During the year, FPA generated a total income of P37.610 millions from product registration, fertilizer and pesticide handlers' licensing. This is 139% accomplishment of the projected income of P27 M.

1997-2010
AVERAGE FERTILIZER PRICES (6 Major Grades)
Peso/50kg/bag

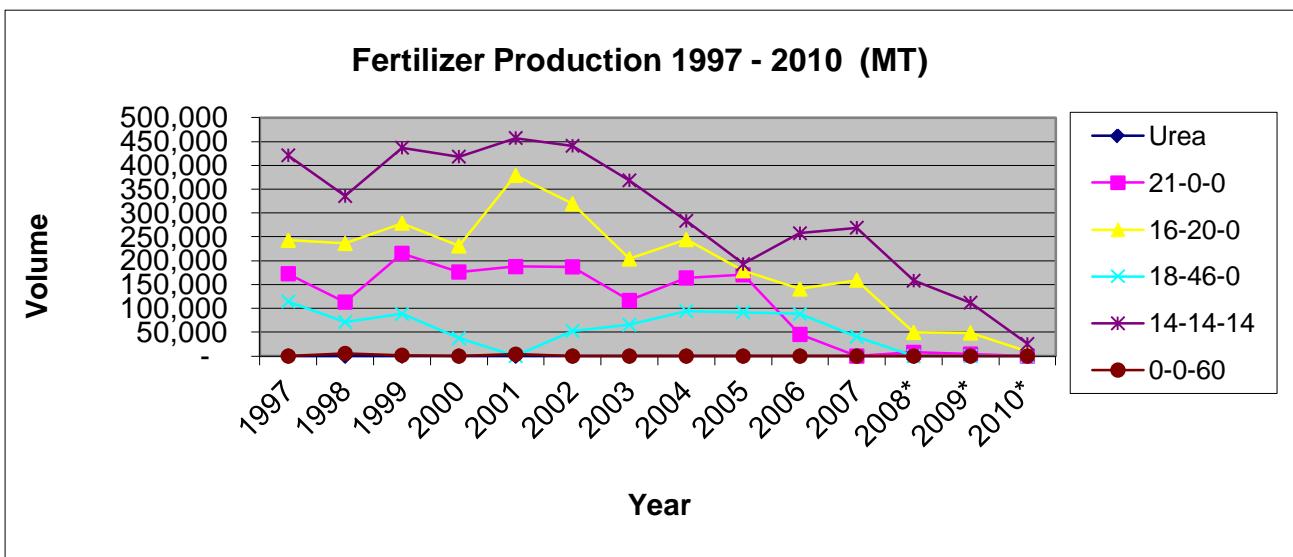
YEAR	Urea	21-0-0	16-20-0	18-46-0	14-14-14	0-0-60
1997	345.54	224.82	334.46	424.26	348.31	245.40
1998	365.64	239.03	385.89	468.13	390.59	340.72
1999	313.65	227.41	398.00	507.28	403.97	357.68
2000	365.43	231.87	398.87	515.57	402.72	379.23
2001	439.98	272.24	413.89	552.08	426.87	434.70
2002	424.44	296.81	422.71	564.71	435.82	460.44
2003	550.96	316.06	466.23	673.90	476.66	495.49
2004	741.75	489.91	634.69	863.46	659.81	663.08
2005	897.74	522.64	751.53	1,297.21	767.36	769.04
2006	898.95	474.39	734.32	1,353.17	746.21	803.23
2007	961.08	541.78	774.89	1,398.92	796.40	859.21
2008	1,551.43	917.81	1,618.21	2,691.85	1,671.67	1,711.99
2009	975.88	570.90	1,111.63	2,240.57	1,193.13	1,951.97
2010	948.47	512.27	920.91	1,767.94	1,068.46	1,648.88



1997-2010
FERTILIZER PRODUCTION (in metric tons)

YEAR	Urea	21-0-0	16-20-0	18-46-0	14-14-14	0-0-60
1997	-	172,745	242,713	114,546	421,000	-
1998	-	113,246	236,206	71,382	335,543	5,465
1999	-	215,334	278,739	88,313	436,978	1,778
2000	-	176,306	230,933	37,190	418,280	-
2001	-	187,613	378,871	-	457,287	3,889
2002	-	187,125	319,336	52,668	440,929	-
2003	-	116,656	203,755	65,820	368,543	-
2004	-	163,855	244,320	94,429	283,564	-
2005	-	170,516	178,928	91,919	192,930	-
2006	-	45,462	140,712	88,282	257,615	-
2007	-	-	159,330	40,686	269,296	-
2008*	-	7,740	49,578	-	158,147	-
2009*	-	4,160	48,646	-	112,070	-
2010*	-	-	10,291	-	25,552	-

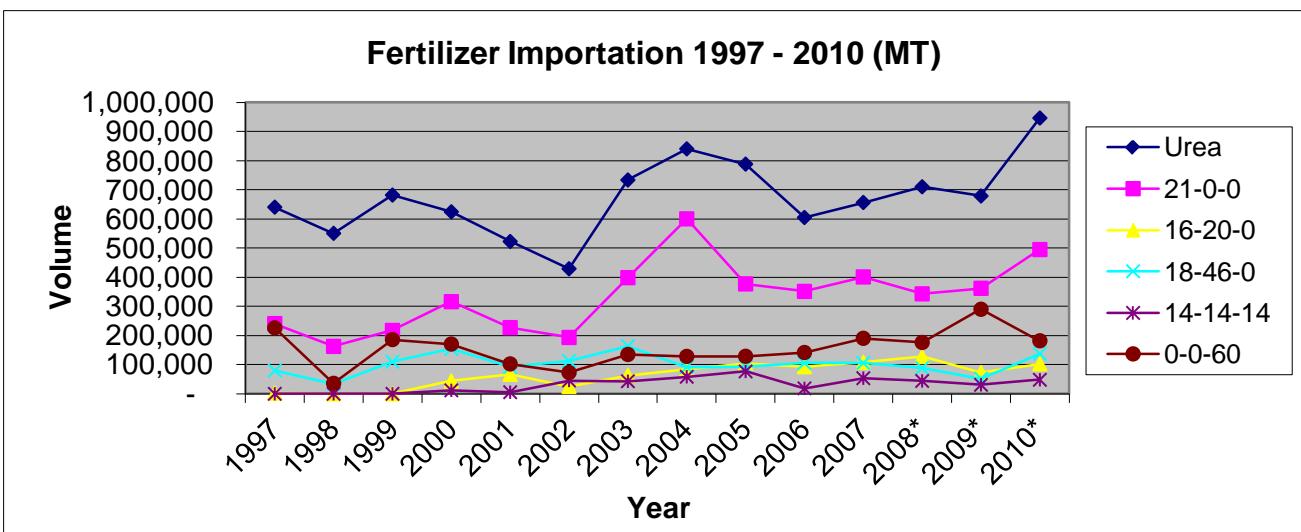
* Preliminary



1997-2010
FERTILIZER IMPORTATION (in metric tons)

YEAR	Urea	21-0-0	16-20-0	18-46-0	14-14-14	0-0-60
1997	640,515	240,901	2,200	79,725	-	226,294
1998	550,657	162,768	-	33,240	-	35,930
1999	681,997	217,447	-	109,996	-	186,157
2000	624,514	316,182	43,835	153,690	12,000	170,744
2001	522,680	227,165	66,950	92,044	5,500	102,630
2002	429,134	193,318	25,300	112,718	45,745	73,052
2003	733,683	398,620	63,170	163,911	43,200	135,084
2004	840,533	600,391	85,156	91,689	58,535	128,386
2005	788,201	377,136	104,980	92,998	76,842	128,819
2006	604,973	351,415	93,165	105,310	18,704	141,741
2007	656,517	401,053	108,000	105,885	53,608	190,474
2008*	710,402	343,032	127,776	88,570	44,155	176,285
2009*	678,853	362,037	73,520	52,171	30,880	290,121
2010*	946,295	494,985	102,596	137,235	48,207	182,026

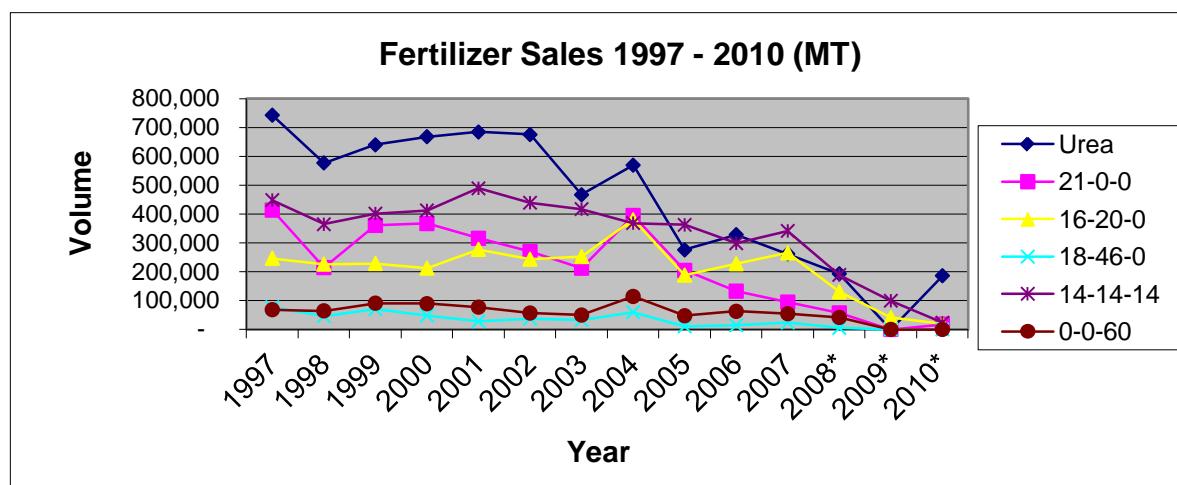
* Preliminary



1997-2010
FERTILIZER SALES (in metric tons)

YEAR	Urea	21-0-0	16-20-0	18-46-0	14-14-14	0-0-60
1997	742,322	413,336	246,420	77,322	448,169	68,383
1998	576,954	214,189	226,309	45,971	364,277	64,418
1999	639,505	360,395	228,562	70,186	401,308	90,942
2000	667,793	366,778	212,397	48,369	412,374	89,080
2001	683,932	315,635	277,391	28,425	488,806	77,162
2002	675,080	269,582	243,517	37,222	438,905	56,750
2003	466,413	212,053	252,621	32,000	416,980	49,635
2004	569,171	394,792	379,789	59,861	368,498	114,235
2005	275,532	204,532	188,251	10,594	362,154	47,414
2006	328,455	132,539	227,733	14,106	298,465	62,680
2007	261,906	94,689	265,039	23,615	341,303	54,445
2008*	192,736	57,140	130,197	5,043	188,877	41,493
2009*	-	-	41,039	-	99,343	-
2010*	186,086	17,978	18873.14	-	23204.58	-

* Preliminary



1997-2010
FERTILIZER EXPORTATION (in metric tons)

YEAR	Urea	21-0-0	16-20-0	18-46-0	14-14-14	0-0-60
1997	-	-	27,000	70,608	-	-
1998	-	23,747	1,996	30,499	-	-
1999	-	19,746	20,774	18,698	4,899	-
2000	-	10,743	27,599	136	-	-
2001	-	-	122,114	34	3,147	-
2002	-	75,546	54,851	41,011	-	-
2003	1,600	58,176	19,390	36,500	-	-
2004	14,096	9,911	40,505	83,876	10,868	-
2005	31,712	122,063	21,096	101,475	500	-
2006	-	3,100	14,699	90,198	-	-
2007	-	18,200	12,901	31,812	-	-
2008*	37,743	31,425	-	4,500	-	-
2009*	-	34,900	-	-	-	-
2010*				no available data yet		

* Preliminary

